

subsections (a), (b), (c), and (d) of this section: *Provided further*, That sections 114 and 115 of the Act of March 4, 1909, as amended (18 U. S. C., 1940 edition, 204, 205) shall not apply to contracts or agreements of a kind which the Corporation may enter into with farmers participating in a program of the Corporation.

35 Stat. 1109.
Ante, p. 863.

SEC. 16. TRANSFER OF ASSETS OF COMMODITY CREDIT CORPORATION, A DELAWARE CORPORATION.—The assets, funds, property, and records of Commodity Credit Corporation, a Delaware corporation, are hereby transferred to the Corporation. The rights, privileges, and powers, and the duties and liabilities of Commodity Credit Corporation, a Delaware corporation, in respect to any contract, agreement, loan, account, or other obligation shall become the rights, privileges, and powers, and the duties and liabilities, respectively, of the Corporation. The enforceable claims of or against Commodity Credit Corporation, a Delaware corporation, shall become the claims of or against, and may be enforced by or against, the Corporation: *Provided*, That nothing in this Act shall limit or extend any period of limitation otherwise applicable to such claims against the Corporation.

SEC. 17. DISSOLUTION OF DELAWARE CORPORATION.—The Secretary of Agriculture, representing the United States as the sole owner of the capital stock of Commodity Credit Corporation, a Delaware corporation, is hereby authorized and directed to institute or cause to be instituted such proceedings as are required for the dissolution of said Corporation under the laws of the State of Delaware. The costs of such dissolution of said Corporation shall be borne by the Corporation.

SEC. 18. EFFECTIVE DATE.—This Act shall take effect as of midnight June 30, 1948.

Approved June 29, 1948.

[CHAPTER 705]

AN ACT

To authorize the issuance of a stamp commemorative of the two-hundredth anniversary of the founding of the city of Alexandria, Virginia.

June 29, 1948
[S. 2739]
[Public Law 807]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Postmaster General is authorized and directed to issue, during 1949, a special 5-cent air mail postage stamp, of such design as he shall prescribe, in commemoration of the two-hundredth anniversary of the founding of the city of Alexandria, Virginia.

Alexandria, Va.
Commemorative
postage stamp.

Approved June 29, 1948.

[CHAPTER 706]

AN ACT

To amend the Canal Zone Code for the purpose of incorporating the Panama Railroad Company.

June 29, 1948
[S. 2747]
[Public Law 808]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Panama Railroad
Company, incorpora-
tion.

DECLARATION OF POLICY

SECTION 1. It is the policy of this Act, incorporating the Panama Railroad Company pursuant to section 304 (b) of the Government Corporation Control Act, approved December 6, 1945, for the purpose of conducting business activities incident to the care, maintenance, sanitation, operation, improvement, government, and protection of

59 Stat. 602.
31 U. S. C. § 869 (b).

37 Stat. 560.
48 U. S. C. § 1301.
Ante, p. 991.

the Panama Canal and Canal Zone; to preserve the authority vested in the President by the Panama Canal Act of August 24, 1912; to govern and operate the Panama Canal and govern the Canal Zone, or cause them to be governed and operated, through a Governor of the Panama Canal and such other persons as he may deem competent to discharge the various duties connected with the care, maintenance, sanitation, operation, government, and protection of the Canal and Canal Zone. Also it is the policy of this Act that the operations in the Canal Zone shall continue to be coordinated, through the President, in order that the responsibility for and authority over this important utility shall not be divided.

REINCORPORATION OF THE PANAMA RAILROAD COMPANY

SEC. 2. Chapter 12 of title 2 of the Canal Zone Code, approved June 19, 1934 (48 Stat. 1122), is amended by adding at the end of said chapter a new article numbered 3, embracing new sections 245 to 256 of said title 2, and reading as follows:

"ARTICLE 3—PANAMA RAILROAD COMPANY ACT

"245. CREATION, PURPOSE, OFFICES, AND RESIDENCE OF PANAMA RAILROAD COMPANY.—For the purpose of conducting business operations incident to the care, maintenance, sanitation, operation, improvement, government, and protection of the Panama Canal and the Canal Zone, there is hereby created, as an agency and instrumentality of the United States, and as an adjunct of the Panama Canal, a body corporate to be known as the Panama Railroad Company, hereinafter referred to as the 'corporation'. The principal offices of the corporation shall be in the city of New York, New York, and in the Canal Zone, but the corporation may establish agencies or branch offices in such other place or places as it may deem necessary or appropriate in the conduct of its business. Within the meaning of the laws of the United States relating to venue in civil actions, the corporation shall be deemed to be an inhabitant and resident both of the southern judicial district of New York and of the Canal Zone.

"246. INVESTMENT OF THE UNITED STATES.—(a) As of the beginning of business July 1, 1948, the corporation shall issue to the United States, and deliver to the Secretary of the Treasury, a receipt for \$1 acknowledging the transfer to the corporation, under the provisions of section 251 of this title, of the net assets of the Panama Railroad Company, hereinafter referred to as the 'New York company', a corporation created by an act of the Legislature of the State of New York passed on April 7, 1849, as amended by an act of that legislature passed on April 12, 1855, and which is wholly owned by the United States, and such receipt shall be evidence of the ownership of the corporation by the United States of America. In its capacity as owner of the corporation, the United States shall be represented by the President of the United States or such officer of the United States as may be designated by him, hereinafter referred to as the 'stockholder'.

"(b) The amount of the receipt (referred to in paragraph (a) above) shall be increased by subsequent additional direct investments of the United States, in excess of repayments to the Treasury and extraordinary expenditures and losses applicable as offsets to such investments under the provisions of paragraph (d) of this section, due to (1) funds advanced to the corporation from the Treasury within such appropriations by the Congress as may from time to time be made to meet increased capital needs, and (2) transfers to the corporation from other Government agencies (or, conversely, decreased by transfers from the corporation to other Government agencies), pursuant to

Receipt for transfer
of net assets.

Post, p. 1079.

Increase in amount
of receipt.

applicable provisions of law, of business enterprises, facilities, appurtenances, and other assets, less liabilities assumed in connection with such transfers. Transfers of properties and other assets from or to other Government agencies under clause (2) above shall be at such appropriate amount or amounts as shall be agreed upon between the corporation and the agencies concerned and approved by the Director of the Bureau of the Budget, and in the determination thereof due consideration shall be given to the cost and probable earning power of the transferred assets, or usable value to the transferee if clearly less than cost, and adequate provisions made for depreciation of properties and equipment, obsolete or otherwise unusable inventories, and other reasonably determinable shrinkages in values, and, insofar as practicable, there shall be excluded from such amount any portion of the value of the transferred property which is properly allocable to national defense. The board of directors shall certify to the Secretary of the Treasury the amount of each such transfer, the amount of any accumulated repayments to the Treasury or extraordinary expenditures or losses applicable as offsets to the amount of such transfer under the provisions of paragraph (d) of this section, and the effective date of the transfer.

Transfers of properties.

Certification of amount of transfer.

“(c) In order to reimburse the Treasury, as nearly as possible, for the interest cost of the funds or other assets directly invested in the corporation, the corporation shall pay interest to the Treasury, at least annually, on the net direct investment of the Government in the corporation, as defined in paragraphs (a) and (b) of this section, and shown by the receipt described therein, at a rate or rates determined by the Secretary of the Treasury as required to reimburse the Treasury for its cost.

Payment of interest.

“(d) The corporation shall account for its surplus as follows: (1) The total net income from operations from and after 1904 (when the Government acquired control of the New York company), plus the undistributed net income prior to 1904, less (2) payments to the Treasury as dividends from and after 1904, not applied as offsets to direct capital contributions as described below, and less (3) extraordinary expenditures or losses incurred through directives based on national policy and not related to the operations of the corporation, not reimbursed through specific appropriations by the Congress, and not applied as offsets to direct capital contributions as described below. The corporation shall not be required to pay interest to the Treasury on any part of its surplus, as above defined. Repayments to the Treasury as dividends shall be applicable as offsets against directly contributed capital, past or future, in determining the base for the interest payments required under paragraph (c) of this section. Extraordinary expenditures and losses (as defined in clause 3 above), to the extent not reimbursed through specific appropriations, shall be considered as repayments to the Treasury analogous to dividends and similarly applicable as offsets against directly contributed capital.

Accounting for surplus.

“247. BOARD OF DIRECTORS.—The management of the corporation shall be vested in a board of directors consisting of not less than nine nor more than thirteen persons who shall be appointed by and hold office at the pleasure of the stockholder, or if he so elects, consisting of the stockholder and eight to twelve other persons: *Provided*, That the Governor of the Panama Canal shall be a director and president of the corporation. Before entering upon his duties, each of the directors so appointed shall take an oath faithfully to discharge the duties of his office. The directors shall receive no salary for their services on the board, but under regulations and in amounts prescribed by the board of directors, with the approval of the stockholder, may be paid by the corporation a reasonable per diem allowance in lieu of subsistence expenses in connection with attendance at meetings of the board or in

Governor of Panama Canal.

Per diem allowance to directors.

44 Stat. 688.
5 U. S. C. § 821.

Quorum.

connection with the time spent on special service of the corporation, and their traveling expenses to and from meetings or when upon such special service, without regard to the Subsistence Expense Act of 1926, as amended, or the Standardized Government Travel Regulations. Nothing contained in this article or in any other Act shall be construed to prevent the appointment and service, as a director, officer, or employee of the corporation, of any officer or employee of the United States. The directors, of whom a majority shall constitute a quorum for the transaction of business, shall meet for organization purposes when and where called by the stockholder, and for subsequent meetings as provided by the bylaws.

"248. GENERAL POWERS OF CORPORATION.—The corporation shall have and may exercise the following general powers, in addition to those elsewhere conferred in this article:

Seal.

"(a) Shall have perpetual succession in its corporate name, unless dissolved by Act of Congress.

"(b) May adopt, alter, and use a corporate seal, which shall be judicially noticed.

"(c) May adopt, amend, and repeal bylaws governing the conduct of its general business, and the performance of the powers and duties granted to or imposed upon it by law.

"(d) May sue and be sued in its corporate name.

59 Stat. 304.
5 U. S. C. § 947;
Supp. I, § 947 note.

"(e) May appoint such officers, agents, attorneys, and employees as may be necessary for the conduct of the business of the corporation, define their authority and duties, fix their compensation, delegate to them such of the powers of the corporation as may be necessary, require that such of them as it may designate be bonded, and fix the penalties and pay the premiums of such bonds. Persons employed by the corporation whose compensation is paid on any basis other than a per annum basis shall not be included in making computations pursuant to the provisions of section 607 of the Federal Employees Pay Act of 1945.

"(f) May enter into contracts, leases, agreements, or other transactions.

"(g) Shall have, in the payment of debts out of bankrupt estates, the priority of the United States.

"(h) May determine the character of and necessity for its obligations and expenditures and the manner in which they shall be incurred, allowed, and paid, and may incur, allow, and pay the same, subject to pertinent provisions of law generally applicable to Government corporations.

Acquisition of prop-
erty.

"(i) May purchase, lease, or otherwise acquire, and hold, own, maintain, work, develop, sell, lease, exchange, convey, mortgage, or otherwise dispose of, and deal in, lands, leaseholds, and any interest, estate, or rights in real property, and any personal or mixed property, and any franchises, concessions, rights, licenses, or privileges necessary or appropriate for any of the purposes expressed in this article.

59 Stat. 597.
31 U. S. C. §§ 841,
846-852, 856-859, 866-
869; Supp. I, § 849.
Post, p. 1283.
Construction, etc.,
of facilities.

"249. SPECIFIC POWERS OF CORPORATION.—Subject to the provisions of the Government Corporation Control Act, the corporation shall have and may exercise the following specific powers, in addition to those elsewhere conferred in this article:

"(a) May construct, maintain, and operate a railroad across the Isthmus of Panama.

"(b) May construct or acquire vessels, and operate the same for transportation of passengers or freight and for other purposes.

"(c) May construct or acquire, establish, maintain, and operate docks, wharves, piers, harbor terminal facilities, shops, yards, marine railways, salvage and towing facilities, fuel-handling facilities, motor-transportation facilities, power systems, water systems, a telephone

system, construction facilities, living quarters and other buildings, warehouses, storehouses, hotels, a printing plant, commissaries and manufacturing, processing or service facilities in connection therewith, laundries, dairy facilities, restaurants, amusement and recreational facilities, and other business enterprises, facilities, and appurtenances necessary or appropriate for the accomplishment of the purposes of this article.

“(d) May make or furnish sales, services, equipment, supplies, and materials, as contemplated by this article, to vessels, to agencies of the Government of the United States, to employees of the Government of the United States, and to any other governments, agencies, persons, corporations, or associations eligible to make or receive such purchases, services, supplies, or materials under the laws prevailing at the time and the policies heretofore or hereafter adopted consistently with such laws.

Sales, supplies, etc.

“(e) May use the United States mails in the same manner and under the same conditions as the executive departments of the Federal Government.

Use of U. S. mails.

“(f) May take such actions as may be necessary or appropriate to carry out the powers in this article or hereafter specifically conferred upon it: *Provided*, That the corporation shall undertake no new types of activities not included in the annual budget program prescribed by section 102 of the Government Corporation Control Act (except those which may be transferred to it under the provisions of section 246 (b) of this title): *And provided further*, That in the event an emergency is declared to exist by the board of directors during a period when the Congress is not in session (or by the Governor of the Panama Canal, acting in his capacity as president of the corporation, with the concurrence of as many of the directors as may be consulted without loss of time unreasonable in the circumstances), recommended appropriate action within the scope of this article may be undertaken. A report on such emergency activity shall be presented promptly to the Congress, when it reconvenes, for its approval and such action as it may deem necessary or desirable with respect to reimbursement through supplemental appropriation of funds to cover costs or losses arising from such emergency.

Restriction.

59 Stat. 598.
31 U. S. C. § 847.
Ante, p. 1076.

Emergency activity.

Report to Congress.

“250. **SUBJECTION OF CORPORATION TO LAWS APPLICABLE TO NEW YORK COMPANY.**—The corporation shall, so far as consistent with the terms of this article, be deemed subject to all provisions in treaties and in Acts of the Congress of the United States, now in force, which relate or apply to the New York company; and shall have all the rights, privileges, and exemptions, and be subject to all the obligations, liabilities, and responsibilities applicable to the New York company under or by virtue of such provisions.

“251. **TAKING OVER OF ASSETS AND LIABILITIES OF, AND DISSOLUTION OF, NEW YORK COMPANY; RELEASE OF UNITED STATES TREATY RIGHTS IN ASSETS.**—The corporation is authorized and directed to take over the assets and assume the liabilities of the New York company as of July 1, 1948. To accomplish the transfer of such assets to, and the assumption of such liabilities by, the corporation, and to accomplish the dissolution of the New York company, the two corporations are authorized and directed to take, under the supervision of the stockholder, whatever action shall be determined to be appropriate and necessary, whether by agreement, transfer, merger, consolidation, dissolution, or otherwise. Effective upon the transfer of such assets and the assumption of such liabilities, there are hereby released and transferred to the corporation all the right, title, and interest, in and to such assets, which the United States now has or may hereafter acquire by virtue of the convention of November 18, 1903, between the United

33 Stat. 2234.

States and the Republic of Panama; and, specifically, there are hereby released to the corporation any and all reversionary rights of the United States in the lands of the corporation located in the cities of Panama and Colon, Republic of Panama.

"252. REIMBURSEMENT OF OTHER AGENCIES.—The corporation shall reimburse the Civil Service and Canal Zone Retirement and Disability Funds for Government contributions to the retirement fund applicable to the corporation's employees, and the Employees' Compensation Fund, Bureau of Employees' Compensation, Federal Security Agency, for the benefit payments made to the corporation's employees, and shall also reimburse other Government agencies for any payments of a similar nature made on its behalf.

"253. PAYMENT OF EXCESS FUNDS INTO THE TREASURY.—The board of directors shall have the power and duty to appraise, at least annually, its necessary working capital requirements, together with reasonable foreseeable requirements for authorized plant replacement and expansion, and to pay into the Treasury as dividends the amount of funds in excess thereof. Such dividends shall be treated by the Treasury as miscellaneous receipts, but shall be treated on the books of the corporation as applicable to reduction of past or future direct Government capital contributions (as provided in section 246 (d) of this title) in determining the base for interest payments required under section 246 (c).

Ante, p. 1077.

"254. EMERGENCY FUND.—The corporation may borrow from a fund to be established and maintained in the Treasury, for any authorized purposes of the corporation, but for limited periods only, sums of money not to exceed a total of \$10,000,000 outstanding at any one time. The fund shall be established by the deposit by the New York company with the Treasury on or before June 30, 1948, of the sum of \$10,000,000 from the invested depreciation reserve funds presently maintained by the New York company, which amount, less any amounts borrowed therefrom by the corporation from time to time, shall be maintained by the Treasury as a separate fund. Amounts borrowed from said fund shall be paid over to the corporation by the Secretary of the Treasury, and repayments thereof shall be redeposited in said fund and will be available for subsequent loans. Loans to the corporation from this fund shall not bear interest.

"255. AMENDMENT OR REPEAL.—The right to alter, amend, or repeal this article is expressly reserved.

"256. SEPARABILITY CLAUSE.—If any provision of this article, or the application of such provision to any person or circumstances, is held invalid, the remainder of this article and the application of such provision to other persons and circumstances shall not be affected thereby."

Approved June 29, 1948.

[CHAPTER 707]

JOINT RESOLUTION

To authorize the issuance of a special series of stamps commemorative of the eighty-fifth anniversary of Lincoln's Gettysburg Address.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Postmaster General is authorized and directed to prepare for issuance on November 19, 1948, a special series of 3-cent postage stamps, of such design as he shall prescribe, in commemoration of the eighty-fifth anniversary of Lincoln's Gettysburg Address.

Approved June 29, 1948.

June 29, 1948
[S. J. Res. 158]
[Public Law 809]

Lincoln's Gettys-
burg Address.
Commemorative
postage stamp.